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exceeds the applicable maximum income limitation in 38 U.S.C. 1521 (b)(3) or (c)(3); and

(3) The veteran's annual income exceeds the applicable maximum income limitation in 38 U.S.C. 1521 (b)(3) or (c)(3) by an amount not greater than the amount specified in 38 U.S.C. 1521 (d)(2).

[28 FR 30, Jan. 1, 1963, as amended at 40 FR 16065, Apr. 9, 1975; 41 FR 15411, Apr. 13, 1976; 41 FR 56803, Dec. 30, 1976; 44 FR 45935, Aug. 6, 1979; 61 FR 20727, May 8, 1996; 62 FR 5529, Feb. 6, 1997]

CROSS REFERENCES: Basic pension determinations. See §3.314. Determination of permanent need for regular aid and attendance and "permanently bedridden". See §3.352.

§§ 3.253-3.255 [Reserved]

§ 3.256 Eligibility reporting requirements.

- (a) Obligation to report changes in factors affecting entitlement. Any individual who has applied for or receives pension or parents' dependency and indemnity compensation must promptly notify the Secretary in writing of any change affecting entitlement in any of the following:
 - (1) Income;
 - (2) Net worth or corpus of estate;
 - (3) Marital status;
 - (4) Nursing home patient status;
- (5) School enrollment status of a child 18 years of age or older; or
- (6) Any other factor that affects entitlement to benefits under the provisions of this part.
- (b) Eligibility verification reports. (1) For purposes of this section the term eligibility verification report means a form prescribed by the Secretary that is used to request income, net worth (if applicable), dependency status, and any other information necessary to determine or verify entitlement to pension or parents' dependency and indemnity compensation.
- (2) VA will not require old law or section 306 pensioners to submit eligibility verification reports unless the Secretary determines that doing so is necessary to preserve program integrity.
- (3) The Secretary shall require an eligibility verification report from individuals receiving parents' dependency

and indemnity compensation under the following circumstances:

- (i) If the Social Security Administration has not verified the beneficiary's Social Security number and, if the beneficiary is married, his or her spouse's Social Security number.
- (ii) If there is reason to believe that the beneficiary or, if the spouse's income could affect entitlement, his or her spouse may have received income other than Social Security during the current or previous calendar year; or
- (iii) If the Secretary determines that an eligibility verification report is necessary to preserve program integrity.
- (4) An individual who applies for or receives pension or parents' dependency and indemnity compensation as defined in §§ 3.3 or 3.5 of this part shall, as a condition of receipt or continued receipt of benefits, furnish the Department of Veterans Affairs an eligibility verification report upon request.
- (c) If VA requests that a claimant or beneficiary submit an eligibility verification report but he or she fails to do so within 60 days of the date of the VA request, the Secretary shall suspend the award or disallow the claim.

(The Office of Management and Budget has approved the information collection requirements in this section under control number 2900-0101.)

(Authority: Sec. 306(a)(2) and (b)(3), Pub. L. 95–588, 92 Stat. 2508–2509; 38 U.S.C. 1315(e))

[63 FR 53595, Oct. 6, 1998]

§ 3.257 Children; no surviving spouse entitled.

Where pension is not payable to a surviving spouse because his or her annual income exceeds the statutory limitation or because of his or her net worth, payments will be made to or for the child or children as if there were no surviving spouse.

[62 FR 5529, Feb. 6, 1997]

§§ 3.258-3.259 [Reserved]

§ 3.260 Computation of income.

For entitlement to pension or dependency and indemnity compensation, income will be counted for the calendar year in which it is received.